

(b) *Cost of alternative methods.* Under the fixed fee method of contracting, the fee includes a cost component for risk assumed by the relocation services company. Under the cost-reimbursable method of contracting, you are directly responsible for some or all of the costs associated with management of the contract. In deciding whether to use cost-reimbursable contracting you, therefore, must consider the cost of resources you would require (including personnel costs) to manage a cost-reimbursable relocation services contract.

(c) *Effect on the obligation of funds.* You must obligate funds for a relocation in the fiscal year in which the purchase order is awarded under the contract. Under the fixed fee contracting method, the amount of the relocation services fee is fixed and you have a basis for determining the amount of funds to obligate. Under the cost-reimbursable contracting method, you must obligate funds based on an estimate of the costs that will be incurred. When opting for cost-reimbursable contracting you, therefore, should establish a reliable method of computing fund obligation estimates.

§ 302-12.11 May we take title to an employee's residence?

No, you may not take title to an employee's residence except as specifically provided by statute. The statutes which form the basis for the provisions of this part do not provide such authority.

§ 302-12.12 Under a homesale program, may we establish a maximum home value above which we will not pay for homesale services?

Yes. If a home exceeding the maximum value is sold under your homesale program, the employee will be responsible for any additional costs. You must establish a maximum amount commensurate with your agency's experience. You may consider, among other factors, budgetary constraints, the value range of homes in areas where you have offices, and the value range of homes previously entered in your program.

§ 302-12.13 Under a homesale program, may we pay an employee for losses he/she incurs on the sale of a residence?

No. But, this does not preclude your reimbursing a relocation services company for losses incurred while the contractor holds the property.

§ 302-12.14 Under a homesale program, may we direct the relocation services company to pay an employee more than the fair market value of his/her residence?

No. Under a homesale program you may not direct the relocation services company to pay an employee more than the fair market value (as determined by the residence appraisal process) of his/her home.

§ 302-12.15 May we use a relocation services contract for services which we are contractually bound to obtain under another travel services contract?

No. For example, you may not use a relocation services contract to circumvent the travel and transportation expense payment system contract if you are a user of that contract.

Subpart B—Employee's Use of a Relocation Services Company

NOTE TO SUBPART B: Use of the pronouns "I" and "you" throughout this subpart refers to the employee.

§ 302-12.100 Am I eligible to use a relocation services company?

Yes, if you are an employee who is authorized to transfer.

§ 302-12.101 Must my agency allow me to use a relocation services company?

No. Your agency determines if you may use a relocation services company.

§ 302-12.102 Under what conditions may I use a relocation services company?

You may use a relocation services company if:

(a) You meet all conditions required for you to be eligible for an allowance contained in this chapter for which a